

January 28, 2003

TO: Regional Administrators
CSO Administrators
Community Services Division

FROM: Roxie Schalliol, Director
Division of Employment and Assistance Programs

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SUBJECT: WORKFIRST BUDGET REDUCTIONS - AREN

As you know, we must address a \$35 million deficit in the WorkFirst budget by the end of this fiscal year (June 30, 2003). These are difficult economic times and state resources are not keeping pace with demands on services. Governor Locke has directed officials to maintain certain core values of the program:

- The safety net of temporary welfare grants;
- Open-door access to child care for the poorest working families;
- Incentives that make work pay more than welfare; and
- Vocational training for better jobs for low-income parents.

One solution developed to help resolve this budget deficit is to limit AREN expenditures. Effective February 1st, the maximum payment for AREN will be reduced from \$1,500 to \$750 per 12-month period. Also beginning February 1st, ETRs will no longer be authorized for cases who are requesting assistance above the payment limit or the number of issuances within a 12-month period. Please instruct staff to stop requesting ETRs effective February 1, 2003.

ACES changes are necessary to fully implement this policy:

- The reduction in the AREN maximum will be in place effective February 1, 2003. However, if a client received an AREN payment less than \$1500 in January and

requests additional assistance in February before their 30-day period expires, they are entitled to receive the additional payment up to a total of \$1500.

- The ACES valid values that can be used on the AREN Screen for ETR payments ([Need Type ET] and ETR Types [BC, PC, and TM]) will not be disabled yet. Because ETRs will no longer be authorized, please instruct staff to stop using these valid values effective February 1, 2003.

Attached you will find the proposed changes to the EA-Z manual and WAC effective February 1, 2003. Beginning February 1, 2003, these changes can be found at <http://www1.dshs.wa.gov/esa/eazmanual/>. DEAP staff are available to meet with you to discuss this change if needed. If you have any questions, please contact Veronica Barnes at (360) 413-3071 or barnevs@dshs.wa.gov.

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